

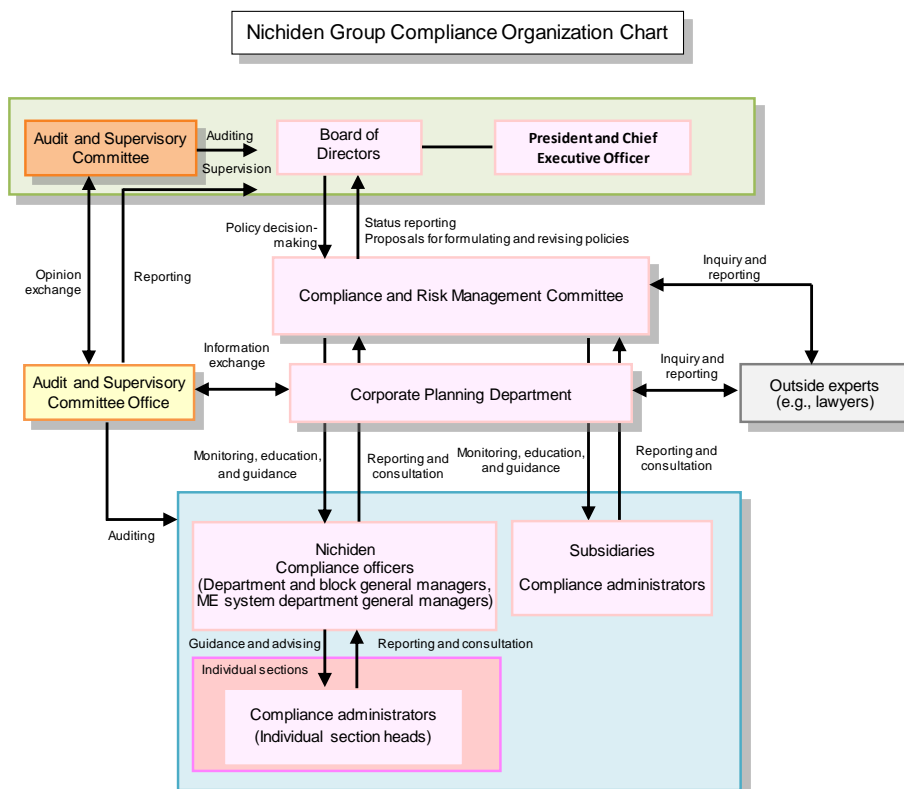
Nichiden Group Ethics and Compliance Policy

■ Policy and Basic Approach

The Nichiden Group recognizes that ensuring compliance is an essential part of fulfilling its social responsibility and continuing to develop in the future. To ensure thorough compliance, we distribute to all officers and employees a Compliance Action Guidebook, which is based on our company motto of “Sincerity,” our management philosophy, our purpose, our action guidelines, and our charter of corporate behavior, and we endeavor to earn stakeholder trust by acting in accordance with high ethical standards.

1. Compliance Promotion System

In order to strengthen the compliance system throughout the Group, the Nichiden Group has established a Compliance and Risk Management Committee, chaired by the president, which monitors the status of compliance throughout the Group. In addition, the Board of Directors receives reports on an as-needed basis about the results of deliberations at the Compliance and Risk Management Committee, oversees the compliance and risk management system, and verifies and evaluates its appropriateness and effectiveness. In the event of an unforeseen incident, we will respond promptly in accordance with company rules and strive to minimize damage.



2. Initiatives

(1) Prohibition of Corrupt Practices

In order to contribute to the maintenance and development of an orderly, free, and competitive market, we will comply with laws and regulations, conduct fair business activities with high ethical standards, and not engage in bribery or other corrupt practices.

(2) Exclusion of Antisocial Forces

In accordance with the Manual for Dealing with Antisocial Forces, we will work to ensure we have no relationship with antisocial forces, maintain public trust, contribute to social safety, and achieve sound corporate management.

(3) Prohibition of Fraud and Misappropriation

The president is responsible for detecting and preventing fraud and misappropriation*, and all officers and employees are expected to maintain the utmost integrity and ethics in conducting business.

*This encompasses such improper acts as misappropriation of Nichiden Group assets, presentation of falsehoods in financial reports, and leaking of important information by officers and employees for their own benefit or the benefit of a third party.

(4) Prohibition of Conflict of Interest

In the event that the interests of our officers and employees conflict with the interests of the company, we will act in a way that prioritizes the interests of the company, in accordance with relevant laws and regulations, company rules, and manuals.

(5) Prohibition of Unfair Trade Practices

We will comply with laws and regulations, company rules, and manuals related to antitrust and fair competition to conduct business in a fair, free, and competitive environment. We will neither engage in unfair trading practices, such as participating in cartels, collusion, or other acts that restrict competition, nor abuse a dominant bargaining position.

(6) Appropriate Disclosure of Company Information

We will disclose company information in a timely and appropriate manner. In addition, we will handle corporate information appropriately, strictly prohibit insider trading by officers and employees, and ensure investor confidence in the securities market.

(7) Preventing Money Laundering and Terrorist Financing

We will strive to ensure that our products and services are not used for the transfer of criminal proceeds, the provision of financing to terrorists, or the provision of financing for the proliferation of weapons of mass destruction.

(8) Protection of Personal Information and Management of Confidential Information

We will appropriately handle, in accordance with laws, regulations, company rules, and manuals, all personal information and confidential information obtained, as well as data created, in the course of business.

(9) Protection of Intellectual Property

We will protect the intellectual property held by the Nichiden Group and will not infringe on intellectual property held by third parties.

(10) Proper Import and Export Procedures

The Nichiden Group will comply with domestic and international laws and regulations regarding trade, as well as tax-related laws and regulations, and will strive to maximize its corporate value by fulfilling its corporate social responsibilities.

(11) Whistleblowing Hotline

The Nichiden Group has established and operates a whistleblowing hotline as a mechanism for monitoring how well corporate ethics and compliance has penetrated the Group. The whistleblowing hotline can be accessed from both inside and outside the company to accept reports (including anonymous reports) of any actions that violate, or may violate, the Compliance Action Guidebook, company rules, or laws and regulations. It is operated according to company rules that ensure the confidentiality of whistleblowers and that they do not suffer any negative consequences for their actions. We are working through in-house education and other means to raise awareness of the whistleblowing hotline.

(12) Compliance Education, Training, and Awareness-Raising

The Nichiden Group provides education and training on, and facilitates awareness-raising of, compliance to ensure that all officers and employees understand and comply with legal and ethical requirements. Through these efforts, we strive to ensure thorough corporate ethics and compliance with laws and regulations.